

# HOUSE BILL 1211

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By: **Delegates Hucker, Barkley, Barnes, Frush, Glenn, Haynes, Howard, Ivey, K. Kelly, Luedtke, Mizeur, Rosenberg, Ross, Stukes, Summers, Valderrama, Vaughn, Washington, and Zucker**

Introduced and read first time: February 10, 2012

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Procurement – Prevailing Wage Rate – Penalties for Violations**

3 FOR the purpose of altering the amount of a certain penalty owed to a public body by a  
4 contractor and the amount of the compensation owed to certain employees by a  
5 contractor or subcontractor that violates the prevailing wage rate; and generally  
6 relating to penalties for violating the prevailing wage rate.

7 BY repealing and reenacting, with amendments,  
8 Article – State Finance and Procurement  
9 Section 17–222  
10 Annotated Code of Maryland  
11 (2009 Replacement Volume and 2011 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article – State Finance and Procurement**

15 17–222.

16 (a) **(1)** A contractor under a public work contract is liable to the public  
17 body for liquidated damages of \$20 for each laborer or other employee for each day for  
18 which:

19 **[(1)] (I)** the laborer is paid less than the prevailing wage rate of a  
20 mechanic while performing a task required to be performed by a mechanic or  
21 mechanic's apprentice; or

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1            ~~[(2)]~~ **(II)** the employee is paid less than the prevailing wage rate.

2            **(2) IN ADDITION TO THE LIQUIDATED DAMAGES OWED TO A**  
3 **PUBLIC BODY UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE CONTRACTOR**  
4 **IS ALSO LIABLE TO THE PUBLIC BODY FOR AN AMOUNT EQUAL TO 75 PERCENT**  
5 **OF THE DIFFERENCE BETWEEN THE LABORER'S FIXED RATE OF WAGES AND THE**  
6 **AMOUNT ACTUALLY PAID TO THE LABORER.**

7            (b) (1) If a contractor or subcontractor pays an employee less than the  
8 amount the employee is entitled to receive for the work performed, the contractor shall  
9 make restitution to the employee, **INCLUDING:**

10                            **(I) THE DIFFERENCE BETWEEN THE EMPLOYEE'S FIXED**  
11 **RATE OF WAGES AND THE AMOUNT ACTUALLY PAID TO THE EMPLOYEE; PLUS**

12                            **(II) AN AMOUNT EQUAL TO 25 PERCENT OF THE AMOUNT**  
13 **CALCULATED UNDER ITEM (I) OF THIS PARAGRAPH.**

14            (2) The contractor and the subcontractor shall be jointly and severally  
15 liable for restitution to the subcontractor's employees.

16            SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2012.